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# RAILWAY SPEECH

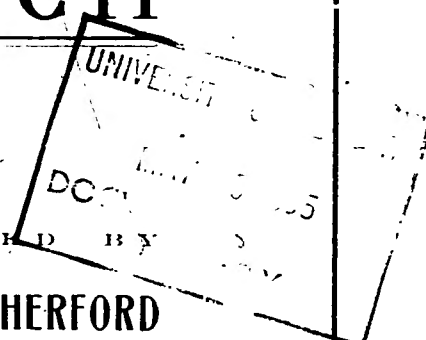
DELIVERED BY

PREMIER RUTHERFORD

IN THE ALBERTA LEGIS-  
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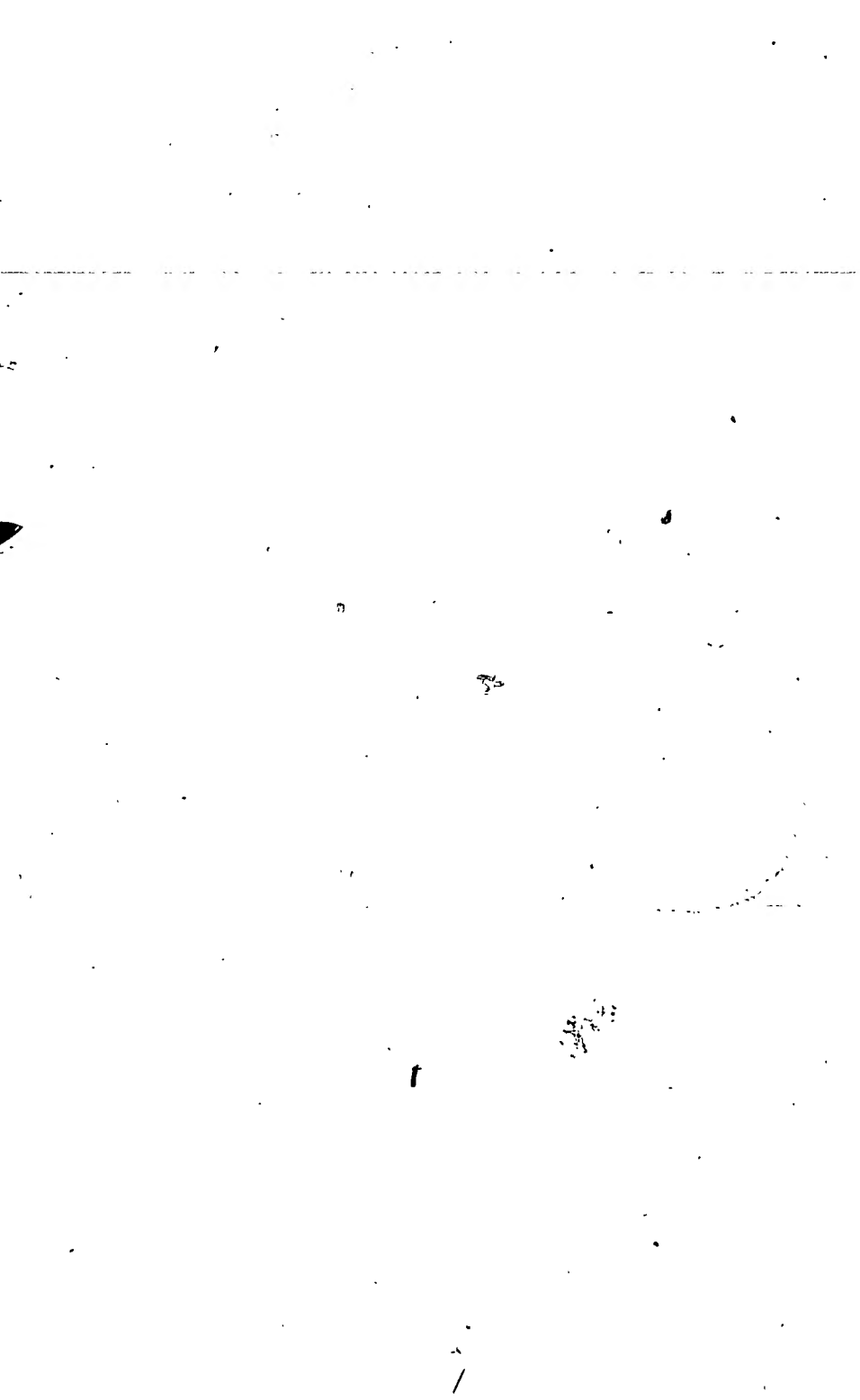
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# RUTHERFORD and RAILWAYS



HON. A. C. RUTHERFORD

PEACE and PROSPERITY



## PREMIER RUTHERFORD'S SPEECH ON HIS RAILWAY POLICY

Alberta is a large province in area. It is growing rapidly in population, in wealth, and importance.

It is one of the largest provinces of Canada. It is larger than most of the states that compose the United States of America. It is larger than any of the states except Texas. Its area is just a little greater than the combined areas of Virginia, West Virginia, Ohio, Indiana, Michigan and Wisconsin. It is as large as four Michigans, five Wisconsin, six Ohios or seven Indianas. It is four times as large as the Province of Manitoba. There is a great future in store for the Province of Alberta. Its vast agricultural areas, its large coal areas, are only at the beginning of development.

Today we are taking the most important step that has yet been taken in the province. The Government is asking the Legislature to ratify the arrangement that has been made to assist in the construction of very necessary railway lines throughout the province.

### RAILWAY CHARTERS

Numerous railway charters have been granted by the Dominion Parliament and by provincial legislatures in Canada. There are charters galore covering the three prairie provinces of Canada. A large number of these charters, most of them, have never been acted upon. Not a mile of road has been built by virtue of many of them. Nothing has been done by their promoters beyond obtaining the charters and renewals or extensions of time, for the commencement of construction. Many of these charters will soon sink into oblivion. Let us, let the people of the Province of Alberta, cast over these charters and the men who hold them the mantle of charity. Let us consider that the men who hold them believe and feel that Alberta is rich in natural resources, and did foresee that there is indeed a magnificent future in store for this great province.

Canada as a whole possesses quite a large railway mileage. Not so, however, the Province of Alberta.

Railway mileage of all lines in Canada on 31st December, 1908:—

Grand Trunk Railway . . . . .	5,300 miles
Grand Trunk Pacific Railway . . . . .	854 "
Canadian Pacific Railway . . . . .	13,355 "
Canadian Northern Railway . . . . .	3,094 "
Intercolonial Railway . . . . .	1,700 "
Temiscaming and Ontario . . . . .	250 "
Lines under contract 1st Jan., 1909..	4,327 "

Grand total mileage of all lines in Canada on Dec. 31st, 1908, not including mileage under construction...	24,000 miles
Total mileage of track wholly or partially completed in 1908 :—	
Grand Trunk Pacific Railway . . . . .	1,325 miles
Canadian Pacific Railway . . . . .	906 "
Canadian Northern Railway . . . . .	930 "
Total mileage contemplated by Grand Trunk Pacific Railway :—	
Main Line, Moncton, N.B. to Prince Rupert . . . . .	3,560 miles
Branch Lines . . . . .	5,000 "
Total . . . . .	8,560 "

#### **Shortage of Railway Facilities in the Province of Alberta**

Everyone recognizes that there is a shortage of railway facilities in the Province of Alberta.

The chief cause of shortage of railway facilities has been the great rush of settlers into the province and its rapid development. The railway companies have been unable to keep up to the demand for new lines.

On the 24th of November last I announced the policy of the Provincial Government with respect to railways, through the press of Alberta.

Let me, Mr. Speaker, draw your attention to the policy then enunciated :—

"I and my colleagues have given the railway question a great deal of thought and have thoroughly weighed the advantages of immediate railway construction. A policy of railway extension throughout all parts of the province has now been decided upon, and you are at liberty to say that I will give my best endeavors to the advancement of this project.

#### **A Department of Railways**

"It is the intention of the Government to establish a department of railways and make it one of the most important departments of the Government and one which I will personally look after.

"My Government has introduced many measures for the benefit of the people of the province, but I do not believe any of them are of more importance than our action in this matter will be.

"My colleagues are all of one mind on this question and they heartily endorse my action in pledging our government to this important undertaking.

#### **To Build Up Whole Province**

"There are districts in Alberta where such extension is absolutely necessary to meet the increasing demand for transportation facilities as well as to secure a wholesome competition

with existing lines. Then, there is the rich, unopened north country whose resources and agricultural possibilities are even now attracting the most profound attention in Europe and the eastern parts of America. We should see to it that this country receives the needed accommodation. Railways are as essential to its development as they are in the older districts.

"It is very plain that the next stage of progress in the province and the development of its real possibilities will depend mainly on railway extension.

"In the past three years we have undertaken various necessary projects but now the great need of the country is—railways.

"Men will not build railways in a new country without some government assistance. They will demand that their bonds be guaranteed, and the only source to which they can look for this help in Alberta lies in the federal government and our own.

"We have been for some time asking the federal government to extend this assistance, and we will continue to do so. But if Ottawa will not help us, then we will do it ourselves. The railways must be built.

"For the past two years in the south country the problem of grain and coal transportation has quite outgrown the facilities. I read a few days ago that one of the biggest farmers in the Claresholm district, who has been unsuccessful in securing cars for his grain, stated that he would raise no more grain until competing lines were built.

### Three Reasons for Railways

"To many minds there are three main reasons for an extension to the railway service of Alberta. One is that in the older districts the present service is becoming yearly more inadequate to meet the demands.

"Another reason, a very obvious one, is, that competition is needed.

"The third is—that if we do not soon build more railways in Alberta, settlers will cease to come into the country in the numbers we require.

"To get homesteads today they will have to go forty to sixty miles from the railways. That is much further than the twentieth century settler is willing to go.

"It is up to us in Alberta to make conditions possible by rapid settlement. We want the population, to which all things will be added."

This announcement was made three months ago so that the people of the province might be in a position, in the meantime, to discuss the matter from every point of view. From the point of view as to which railway lines are first desirable and necessary, and from the point of view as to the character of the aid to be given.

Numerous petitions and letters have been received from all

over the province and information and advice have been tendered by boards of trade and other non-political bodies, with regard to the wants and requirements of the people of the province.

No one has suggested any other aid than a guarantee of bonds by the province for the encouragement of building additional railway lines.

Allow me, Mr. Speaker to draw the attention of Honourable Members to :—

#### **The Railway Situation in the Province at the Present Time.**

There is not a large railway mileage in the province. Although our province is four times the size of Manitoba and will have in a few years a population as great. I think that when the census of 1911 will be taken we will have a population as great as that of Manitoba, yet we have a railway mileage far short of that of Manitoba. Incidentally, I may remark, that Manitoba commenced to guarantee the bonds of railways when she had a much smaller population than Alberta has. Manitoba is now almost gridironed with railways to the great advantage of its people. Manitoba has guaranteed the bonds of the C. N. R. to the extent of \$25,000,000.

#### **Canadian Pacific Railway**

For many years we have had the main line of the Canadian Pacific Railway running across the province. The Lacombe-Moose Jaw and Wetaskiwin-Saskatoon branches are under construction. The Calgary & Edmonton and Calgary & Macleod branches, running from Lethbridge to Strathcona. In addition to these the C. P. R. has branch lines from Lacombe to Stettler, and from Wetaskiwin to Hardisty. In addition to these we have the Alberta Railway & Irrigation Company's line in the most Southern part of the province, and the Crow's Nest Pass line joining the main line of the Canadian Pacific Railway near Medicine Hat.

#### **CANADIAN NORTHERN RAILWAY**

The Canadian Northern is now doing business in the province with a line from Lloydminster to Edmonton opened two years ago, and two short branches, each about 20 miles in length, north and west from Edmonton.

The Canadian Northern proposes to extend their line to the Pacific Coast by way of the Yellow Head Pass, down the North Thompson River to its junction with the Fraser River to New Westminster and Vancouver.

They propose to complete an Ontario link of about 450 miles,—a line between the Canadian Pacific Railway and Grand Trunk, north of Lake Superior, and will thus have a main line extending from the eastern provinces to the Pacific Coast.

#### **THE GRAND TRUNK PACIFIC**

The Grand Trunk Pacific Railway Company have their transcontinental line completed and in operation from Winnipeg to Wainwright in the Province of Alberta. They will reach Ed-



monoton in the spring of this year and will have their grading finished this year to the Yellowhead Pass, to the western boundary of the province. They expect to have their main line completed from Moncton, N. B., to Prince Rupert at the end of the year 1911.

#### **Reply of the Ottawa Government**

To the request of the Provincial Government to assist Railway Extension in the Province of Alberta.

We approached the Government at Ottawa with the view to their rendering assistance for the construction of additional railway lines in Alberta. The Dominion Government has been guaranteeing the bonds of the Canadian Northern Railway Co. They have made it possible for the Canadian Northern to build their main line through Saskatchewan and Alberta. They have guaranteed the bonds of the Grand Trunk Pacific across the western provinces of Canada.

The reply of the Dominion Government was that they did not propose to grant any assistance to railway companies this year.

I have no doubt that they will in future years, and we will urge them to do so.

#### **Government Ownership**

The question of government ownership has been considered by the government, and has been discussed by the people of the province, but it has not been advocated seriously. This is an inland province and railways must be necessarily local lines. We would have no jurisdiction to extend beyond the confines of the province.

The policy of provincial government, ownership and operation enunciated by the opposition—by the Hon. Member for High River this session—has not been taken seriously or that of last session the purchase of the C. P. R. existing lines running north and south and the construction of a line to the north. Even if this were done existing conditions would not be met. New lines are requisite.

#### **BOND GUARANTEE.**

The policy of the Government is set out in the resolutions before the House and we request their endorsement by the Legislature, and some time this year we will ask the endorsement of the electors of Alberta upon it.

The guarantee of bonds by governments in Canada was unknown in Canada previous to 1893. Since that time the practise has become general.

The British Government guaranteed railway bonds for lines in India. The amount of the guarantees given by other provinces and the Dominion varies from \$8,000 to \$20,000 per mile. In the case of prairie roads it has been generally \$13,000 per mile.

The Province of Ontario guaranteed the bonds of the Canadian Northern at the rate of \$20,000 per mile last Session—the Session of 1908.

The Province of Manitoba guaranteed the bonds of the C.N.R. from Winnipeg to Port Arthur at the rate of \$20,000 per mile. The greater portion of this line is in the Province of Ontario outside the Province of Manitoba.

The Government of Alberta proposes to guarantee the bonds of the Canadian Northern and Grand Trunk to the extent of \$13 000 per mile. Provision is, however, made for an extra \$2000 per mile, but before this can be used the Legislature will have to pass upon it. The rate of interest 4 per cent.

What security will the Province have?

The Province will take as security a first mortgage on the lines guaranteed their rolling stock, and equipment present and future acquired for the purposes of the lines; also the tolls, revenue, and income arising or to arise from the lines guaranteed, and all the rights, privileges, and franchises of the company:

#### **In Every Instance.**

When the bond issue is sold the purchase money must be paid by the purchasers of the bonds into a special account in a bank approved of by the Lieutenant-Governor in Council to the credit of the Provincial Treasurer, and from time to time as the construction of the railway proceeds, the money to the credit of the special account is paid out to the railway company according to the amount of construction done to the satisfaction of the Lieutenant-Governor in Council, and in accordance with the specifications fixed between the Government and the Company.

The sums so paid shall be such as the Government engineer shall certify as being justified, having regard to the proportion of work done, as compared with the whole work to be done.

While the money is in the bank to the credit of the Provincial Treasurer it is a part of the mortgaged promises and is covered by the mortgage.

The interests of the Province are and will be guarded in every respect.

The Province of Alberta will, in addition to this, receive as security the covenant of the company to pay the guarantee of the whole of the Canadian Northern and Grand Trunk Pacific branch line systems, for the payment of the principal and interest of the bonds guaranteed.

You will observe then that owing to the guarantee of the Canadian Northern by the Dominion, and most of the Provinces, Ontario, Manitoba, Saskatchewan, and Alberta that we are all linked together and if one part of the system fails the whole will fail.

In order that the lines guaranteed would fall back upon our hands the whole Canadian Northern system would have to become bankrupt—the whole of the Grand Trunk Pacific branch lines system would have to become bankrupt.

It is desirable then that the provinces should be careful to give guarantees on lines that will prove to be paying propositions. The Canadian Northern system in Manitoba is worth \$30,000 per mile, I am informed on good authority.

### Control of Rates.

It is not necessary to take control of rates as both companies have Dominion charters. It is desirable that the control of rates should be retained by the railway commission.

There will be a full board of the railway commission for the West and they will have the full control of rates and will attend to all grievances which may arise and be placed before them for judgment. The work of the railway commission has been appreciated by the people of Western Canada.

The members have been men of high standing.

The appointments are life appointments. They are quite independent of change of Governments.

Many grievances have been already settled by the Commission to the great satisfaction of the people of the Canadian West.

The credit of the Province will not be injured by guarantee of bonds provided we are careful as to the lines we guarantee. It is our duty to guarantee lines only that will prove paying propositions.

If a policy should be adopted of guaranteeing indiscriminately all lines for which charters may be obtained, we would be considered reckless and it would prove to be disastrous to the Province.

The lines to be aided by the Province of Alberta are all necessary. I am free to confess that more might have been aided, but we must only aid a reasonable proposition. I submit that the proposition we place before you is reasonable. We must be reasonable.

The Grand Trunk is required to construct at least 50 miles this year, and complete the construction and have in operation for traffic the remainder on or before December 31st, 1911.

The Canadian Northern is required and has undertaken to construct at least 125 miles this year and the remainder of the lines guaranteed shall be completed and ready for traffic on or before the 31st day of December, 1911.

### Haultain on the Principle of Bond Guarantee.

In the Legislature of the Province of Saskatchewan Mr. Haultain stated:

"The principle of bond guarantee is a safe one for the Province. The guarantee system is the only possible means which can be employed to assist Railways."

And I am prepared to go further and state that it is very fortunate for the Province of Alberta that we are able to secure railway extensions by guarantee of bonds rather than have to pay cash subsidies. We can very well use our cash for the extension of roads and bridges. The guarantees do not cost us a dollar.

The old Provinces of Canada paid out millions of dollars in money as subsidies for railway extensions, and they are still paying out large amounts on subsidy account. The Province of Manitoba at one time paid cash subsidies for railway extensions.

The resolutions of the Saskatchewan Government were passed for guarantee of railway bonds by their Legislature without a dissenting voice.

In order to decide what aid the Province of Alberta should extend to encourage Railway Construction, the Government has given consideration to what the other Provinces of Canada have done in this direction.

Some of the Provinces have given cash subsidies, others lands, and some cash subsidies as well as lands, and most of them have given guarantees of bonds.

Nova Scotia has borrowed money on the credit of the Province and lent the money in aid of railway construction.

The Province of Nova Scotia has paid in railway subsidies for the encouragement of railway construction in the Province \$5,834,515.20.

In the case of the Halifax and South Western Railway the sum of \$13,500 per mile has been loaned to this Company on which they pay 3½% interest and for which the Government holds a first mortgage on the road. At any time the Company can pay off this mortgage with \$10,200 per mile retaining \$3,200 as a subsidy.

The Province of Quebec has paid in cash to railways the sum of \$26,763,770. There is included in this the sum of \$13,981,990.14 for the construction of the Quebec, Montreal, Ottawa and Occidental Railway which was sold to the C.P.R.

The Province of Quebec then had a government constructed road which they were pleased to sell.

Land subsidies at rates of 10,000 acres per mile to 3000 acres per mile have been granted to the extent of 13,384,950 acres to railways by the Province of Quebec.

Ontario has paid out in actual cash subsidies to railways to the amount of \$11,624,180.47 for the construction of 2478 miles, and recently paid \$244,000 to the Grand Trunk Pacific on the construction of 122 mile.

Aided by Dominion Provinces and Municipalities to railways, the Dominion Government has contributed \$128,827,648.77 from 1876 to the end of 1907.

The Provinces of Canada have contributed \$35,123,130.80. Municipalities \$17,346,633.34.

The statement of the amount contributed by the Dominion does not include the cost of the Intercolonial and Prince Edward Island Railways.

Aid to railways have not been limited to cash subsidies, large grants of lands have been given.

On the 30th of June last the grants earned by railways from the Dominion Government amounted to 31,762,954 acres.

#### **The Provinces (Land).**

The old Provinces of Canada have also given generous grants of land to aid railway construction.

From official sources it is learned that the total area granted

by the Province of Quebec aggregated 13,324,950 acres. The subsidies thus given have been converted into money on the basis of 52½ cents per acre. This would yield \$6,995,598.75 the greater amount of which has been actually paid.

British Columbia has also been liberal in the same direction, and has alienated 5,287,387 acres of her territory in aid of five lines of railway.

New Brunswick has granted 1,647,772 acres, and Nova Scotia 160,000 acres. The land grants of the Dominion and provinces reach a total of 52,183,063 acres IN AID OF RAILWAY CONSTRUCTION.

I have stated that municipalities in Canada have contributed \$17,346,633.34 as bonuses in aid of railways.

Many rural municipalities in Ontario and other provinces have contributed a large portion of this amount. We are able to secure railway extensions in Alberta by a guarantee of bonds, and the farmers of the country districts will not contribute one cent as a bonus.

#### **The Canadian Pacific Railway Company**

We are not hostile to the C. P. R. building branch lines throughout the Province of Alberta. I have received petitions signed by a large number of farmers in the province requesting the Provincial Government to urge upon that company the great necessity of extending their lines. Let the C. P. R. extend as fast as they possibly can. They do not ask for a guarantee of bonds.

The Canadian Pacific Railway is going to build the following extensions this year:—

1. A line from the first station west of the bridge under construction near Lethbridge to the Little Bow River.
2. A line from some station east of Calgary to Ghost Pine Creek.
3. Extend from Stettler eastward for 35 miles.
4. They propose also to build a line south of their main line, an extension of their Estevan branch 400 miles in the direction of Lethbridge, 25 miles of which line they propose to build in the Province of Saskatchewan this year.

The credit of the C. P. R. stands so high that they do not require a guarantee of their bonds.

We can, however, urge upon this company the necessity of extending their lines. We have been doing so for some years.

The guarantee of bonds by a province enables a company to obtain a little better price for their bonds and is a warrant to the shareholders, for they can assume that a province will not guarantee for lines that are not requisite and desirable.

#### **The Great Northern.**

This is a line which the people of the southern part of the province especially have been wanting. They do not seek assistance.

### Hudson Bay Railway.

The Hudson Bay Railway will be proceeded with at an early date under the auspices of the Federal Government. The surveys for this line are about complete. When this line is finished the people of Western Canada will have a new and shorter route to the continent of Europe for their farm products. As many outlets as we possibly can obtain for the products of the West are desirable.

### GRAND TRUNK.

Lines which the Grand Trunk Pacific proposes to construct and the lines to which the province gives a guarantee.

1. A line from a point on the Western Division of the Grand Trunk Pacific Railway between the 111th and 113th degrees of longitude, to Calgary and thence to the southern boundary of the province at or near Coutts.

2. A line from a point on the line of the Grand Trunk Pacific branch line between Calgary and Lethbridge, and such point being in a north-easterly direction from Macleod; thence to or near Macleod. They are obliged to construct at least 50 miles of this the present year, and complete the balance and have all in operation by the 31st December, 1911—the date for the completion of their main line.

### CANADIAN NORTHERN

The Canadian Northern has a history of only seven or eight years. Its growth during that time has been marvelous.

In 1902 they operated 1276 miles, and in June last they had in operation 2886 miles.

In earning power and equipment they have kept pace with the times.

The plans of the Canadian Northern comprise the completion of their main line, and thus have a transcontinental line.

The lines of the Canadian Northern which we propose to guarantee are as follows:—

1. A line from a point on the Canadian Northern Railway, at or near Vermilion, in the Province of Alberta, in a north-westerly direction, to or near Whitford Lake, a distance of about 40 miles.

2. A line from a point between Morinville and the north boundary of township 61 on the Edmonton and Slave Lake Railway, in an easterly direction, a distance of 40 miles.

3. A line from a point at or near Strathcona, in a generally southerly direction, via Calgary, to the confluence of the Little Bow and Belly Rivers, thence in a south-westerly direction to a point at or near Lethbridge (with a branch line from a point near Bittern Lake, in a north-easterly direction, to, at or near Vegreville, a distance of about 50 miles).

Also a branch line from near the crossing of the Little Bow River, southerly via Macleod, to the southern boundary of the province, a distance of about 110 miles. Also a branch line from a point on the last mentioned branch line between Macleod

and the point where the said last mentioned branch line crosses the Belly River, in a general westerly direction, to the western boundary of the province, a distance of about 65 miles. Also a branch line from a point between Cardston and the southern boundary of the province, on one of the branch lines hereinbefore mentioned, in a general westerly direction to the western boundary of the province, a distance of about 35 miles.

4. A line from a point at or near Content, westerly through Red Deer, a distance of 60 miles.

5. A line from Calgary to Banff Park.

1. A line from, at or near Edmonton, in a north-westerly direction, towards Peace River, a distance of about 50 miles.

2. From a point at or near Morinville on the Edmonton and Slave Lake Railway, thence northerly a distance of about 65 miles to Athabasca Landing.

At least 125 miles of the Canadian Northern are to be completed and operated this year and the remainder to be finished and open for traffic by Dec. 31st, 1911.

#### **The Alberta and Great Waterways Railway Company, Edmonton to Fort McMurray.**

There is one other company whose line we propose to guarantee. The lines of the Alberta and Great Waterways Railway Company. This company proposes to construct a line from Edmonton to Fort McMurray.

Why should we encourage the construction of a railway line from Edmonton to Fort McMurray? I am quite free to acknowledge that if the construction of this line would interfere with the time of construction of the other lines referred to we should hesitate to encourage the building of a line from Edmonton to Fort McMurray. The farmers in the more settled portions of the province are clamouring for more railway facilities.

But the construction of this line will not in the least interfere with the construction of railway lines elsewhere.

The Senate of Canada appointed a committee during the Session of 1907 to obtain as much information as possible with regard to the resources of Canada's fertile north land. The information gleaned by this committee is very interesting and furnishes us with abundant information to justify us in aiding a company to build a railway from Edmonton to Fort McMurray, and the information obtained by the Senate is amply corroborated by those who know the northern country.

Let me, Mr. Speaker, draw the attention of the members of this house to the evidence obtained and a portion of the report made by the Senate committee.

"The area of those portions of Alberta and Saskatchewan lying north of the Saskatchewan Watershed may be set down at 250,000 square miles. The MacKenzie River Watershed has an area of 562,182 square miles."

"The trend of settlement in Canada, and also in the United States, has been westward, following the construction of railways. As the land in the railway belts (the more southern part

of western Canada) is being rapidly filled up, as the older railway lines throw out their feeders northward, and as the location and construction of the new National Transcontinental Railway proceeds, attention is being rapidly attracted to the great northern reserves."

Mr. R. E. Young, of the Department of the Interior, in 1905 prepared a statement showing that the enormous inflow of immigrants and settlers would in a reasonable time exhaust the available land for free homesteads in the present settled portions of the western provinces and calling attention to the possibilities of the practically unexplored hinterland of Canada.

Sir Richard Cartwright remarked: "There is no doubt we are hardly acquainted in the slightest degree with the enormous resources of the unexplored regions of this Dominion. We have barely scratched the surface, and yet we have found such places as the Cobalt Camp the Klondyke and other sections, where there are enormous resources of which we never dreamed."

In the evidence heard before the select Committee of the Senate some striking facts stand out prominently, among them the following:

"No less an authority than a member of the Alberta Legislature (Mr. Bredin) who lived many years in that country, estimated the area of available agricultural lands in MacKenzie and northern Alberta at not less than one hundred million acres."

"At a point some 400 miles due north of Edmonton splendid crops of wheat, barley, oats, peas, etc., have been regularly raised for over 20 years, the production for the season of 1906 being 25,000 bushels. That the production of grain in these northern sparsely settled regions has already resulted in the establishment of local grist mills of considerable capacity and manufacture flour by modern processes.

"Potatoes and other vegetables have been for many years satisfactorily cultivated at Fort Good Hope on the MacKenzie River, fourteen miles from the Arctic circle.

"The isothermal lines west of Hudson Bay trend almost due north instead of east and west as popularly supposed.

"Vegetation matures wonderfully quickly in northern latitudes owing to the very long days during the season of growth.

"As to the vast region north of the Saskatchewan Valley and west of Keewatin, which may be broadly described as the Great MacKenzie Basin, thoroughly authentic and well substantiated evidence shows that that country is very much more valuable than was at one time supposed and is capable of sustaining a very large and prosperous population. The settlement in this distant region, while, in comparison with its vast area, insignificant in number and extent, are important as demonstrating practically and unquestionably the great possibilities of this territory as an agricultural and industrial country, and also as emphasizing the importance of exploring and surveying such areas as are likely to first attract the stream of settlement which is bound to set in before long.



"According to one witness who has had exceptional opportunities for familiarizing himself with the country and its resources, there is in the Peace River section of this country as much good agricultural land fit for settlement, and yet unsettled, as there is settled in Manitoba, Saskatchewan and Alberta to-day.

"Mr. W. F. Bredin, member of the Alberta Legislature who resides at Lesser Slave Lake, and was examined before your committee, after a careful computation estimates the area of agricultural lands available in the unorganized territory of MacKenzie, and in Northern Alberta, say north of the 55th parallel of latitude, at not less than one hundred million acres.

"At Fort Providence, latitude 62.30, about 400 miles north of Edmonton, splendid crops of excellent wheat, barley, oats, peas and other vegetables are raised, while as far north as Fort Good Hope, within fourteen miles of the Arctic Circle, or latitude 66.16 and 970 miles further north, than the City of Edmonton, cabbage, onions and other garden vegetables are raised.

"The evidence goes to show that the comparative shortness of the summers in the northern regions is compensated for by the extreme summer heat and the length of the period of sunshine in the summer.

"The various sections of the MacKenzie Basin possess great forest wealth, the spruce areas in the North extending to the Arctic Sea.

"The rivers and lakes of this region teem with fish of various kinds and doubtless the inauguration of an important fishing industry depends upon the provision of a market by the opening up of communications or the influx of population.

"The mineral wealth of this region is undoubtedly considerable, including deposits of coal, oil, copper, silver, native salt, sulphur, ochre sand, suitable for glass making, tar sand, etc. The large area of oil sands, oil gum or asphaltum, as it is sometimes called, along the Athabasca, promises to be of great commercial value, and prospectors are now engaged, with costly equipments, exploring that neighborhood for oil.

"Although in the North the thermometer in the winter seasons registers low temperatures, the cold is much more bearable than are far higher temperatures in countries where there is humidity in the atmosphere. There is said to be little or no difference between the climate at Lesser Slave Lake and that at Edmonton, 250 miles to the south. The chinook winds blow as far north as Fort Providence and for 21 days during last January it was not necessary to wear overcoats there. West of Peace River Crossing stockmen require to feed their cattle about seven weeks in the winter. East of that the snow is deeper and cattle have to be fed a little longer. At Fort St. John on the Peace River, they often sow wheat in March and invariably in April. Last year at the same place they began cutting the wheat on the last day of July.

"Although on account of the lack of means of communication, and the existence of considerable areas of unsettled lands in the organized provinces to the south and east, there is as yet no

great influx of immigration. Settlers have been going into the MacKenzie Basin country every year, particularly to the Athabasca district, and the few widely scattered and small settlements are steadily, if slowly, increasing, while new settlements are being gradually established.

"As to means of communication with the outside world those living in this part of the Dominion look forward hopefully to the extension of railway facilities to give their products a route of exportation to the markets of the world, and the construction of railways northwards from the Saskatchewan Valley is being anticipated."

The evidence taken before the Senate committee demonstrated forcibly the great extent and possibilities of the inland waterways of the MacKenzie Basin. There have been a few steamboats plying successfully for years on the longer stretches of the MacKenzie, the Peace, the Liard, and the Athabasca Rivers and also on Lake Athabasca and Great Slave Lake. The striking fact was elicited that by the construction of two tramways of the aggregate length of about 20 miles, a continuous water and rail route of 3000 miles of uninterrupted communication, the longest inland water route in the world, can be provided.

The report of the committee of the Senate of Canada is most interesting and suggestive. But the Senate of Canada has done nothing other than to secure evidence. We feel that we should give encouragement for the construction of a railway line to help the country referred to. A line of railway from Edmonton to Fort McMurray will do this.

I have referred at greater length to the country to the north of us on this occasion by reason of its resources not being so well known as the resources of the centre and southern parts of the province. We propose to guarantee the bonds of the Alberta and Great Waterways Railway Company. It is a colonization road to a large extent and we are justified in guaranteeing to the extent of \$20,000 per mile as a considerable portion runs through a country difficult to construct.

Manitoba and Ontario guaranteed the bonds of the Canadian Northern to this extent. The building of this line will confer a great benefit upon all parts of the province.

The interests of the province will be guarded in every respect. We will have a first mortgage on the road, rolling stock, tolls, terminals, etc.

Let me draw the attention of the honorable members to some of the features of the Charter of Incorporation of this line. They are very favorable to the province.

1. The company may lay out, construct, and operate a railway of a gauge of four (4) feet eight and one-half (8½) inches (with all convenient branches, whether over or under six miles in length, and sidings) from Edmonton north-easterly to a point at or near the west end of Lac la Biche, thence to a point at or near Fort McMurray, and from a point in the said line at or near the west end of Lac la Biche to the eastern end thereof.

12. The company shall at all stations upon their railway always permit the loading of grain into cars from farmers' vehicles or flat warehouses, subject to reasonable regulations to be made by the said company, and shall at all reasonable times afford proper facilities therefor.

13. The location, grades, the width and slopes of cuttings and embankments, the plans of bridges, culverts, buildings, and other structures, the weight and section of iron rails, and of other details of the proposed construction of the railway mentioned, shall be subject to inspection and approval by the government engineer before the commencement of the works as well as after completion.

14. The work of constructing the said line of railway shall be commenced within one year from the passing of this Act, and shall proceed with the utmost despatch and shall be completed within four years from the commencement of such work, unless prevented by the act of God, the King's enemies, internal disturbances, epidemics, floods or other causes beyond the control of the company. If for any of the causes aforesaid the work of construction is delayed, the company may make application to the Lieutenant-Governor in Council for an extension of time, and the Lieutenant-Governor in Council shall grant such extension for the period of such delay.

15. The said company shall furnish such information as to the location and plans of passenger and freight stations on the line of railway as may from time to time be required by the Lieutenant-Governor in Council, and the company shall be subject to compliance with such terms as may be given by the Lieutenant-Governor in Council from time to time for the erection of stations, the number of the same and the intervals at which the stoppages shall be made at such station for the accommodation of the public.

17. The said lines of railway are to be constructed according to description, conditions and specifications approved by the Lieutenant-Governor in Council. The location of the said lines shall be subject to the approval of the Lieutenant-Governor in Council.

20. The Government shall have the option of purchasing the entire undertaking of the company, including all rights, franchises, powers, real and personal property connected with the said railway at any time for the then fair value thereof as a going concern, such option, however, not to be assignable by the Government.

21. Upon each successive fifty miles of line being complete the company shall provide accommodation for freight and passengers thereon.

22. Unless otherwise ordered by order in council, the line when put into operation shall, as far as practicable, be continually operated with a passenger and freight service.

The Company has made all arrangements for the money necessary to build the road, largely British, and some American

capital, and we have every assurance that the line will be built without delay.

It would have been quite impossible to have made any arrangements with any of these companies to construct a mile of road before this year. They are now in a position to build branch lines and will carry out a program of active construction commencing this year.

What will we accomplish with the additional railways such as I have outlined?

We will retain the population we have and secure a very large additional population.

New towns will spring up, as they have been springing up all over the western provinces, where railway construction will take place. New and prosperous farm settlements will be formed. Farmers who are now working at a disadvantage far away from market towns will have new market towns at every new railway station on the railway lines that are to be built.

Competition will be secured. We will have three great railways competing for trade practically in the whole province.

We place all portions of the province on the three great Canadian Transcontinental railway lines and on the C. P. R. branch lines running east and west through the province. Coal will be hauled from the many points where there are coal areas to Winnipeg. Alberta should and will supply not only her own people, but the people of Saskatchewan and Manitoba with coal. The new railway companies will extensively advertise Alberta and bring in new settlers. They will be interested in settling the lands of Alberta, and in the development of the coal areas of Alberta in order to secure traffic for their lines.

Heretofore the advertising and immigration work for Alberta have been carried on by the Dominion Government and the Canadian Pacific Railway Company. We are greatly indebted to them for what they have done—and they will continue to do this work.

There will be the introduction of a large amount of new capital in the province, not only by reason of the construction of railway lines, but by reason of the impetus that will be given to industries. We will have manufacturing industries established.

There is scarcely a corner in Alberta that will not be beneficially affected by the extensions of railways planned.

The railway policy that is presented is an Alberta policy. It is a policy of hope. It is more than a policy of hope to the people of this great province. It is policy of active railway construction.

It is not a sectional policy—it is a policy that will benefit all parts of the province. It is a policy upon which all the people of the province are united. May I not, now, express the hope that all sectional feeling that may have arisen in the past, will now forever disappear and that one and all in Alberta will stand shoulder to shoulder in building up this great province.

If we do so, this province in a very few years will become the banner province of the Dominion of Canada.